

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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HONOLULU, HAWAII 96801

SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

ON
LAWAI BEACH RESORT
R.R. #1, Lawai Road
Koloa, Kauai, Hawaii

REGISTRATION NO. 1459

This Report Is Not an Approval or Disapproval of This Condominium Project

It was prepared as a supplement to an earlier Report dated October 2, 1981 issued by the Real Estate Commission on the above project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: February 23, 1982
Expires: November 2, 1982

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED SEPTEMBER 18, 1981, AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 4, 1982. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report dated October 2, 1981 on Registration No. 1459, the Developer has forwarded additional

information reflecting material changes that have been made in the documents for the project.

NOTE: In summary, this Supplementary Public Report informs the purchaser or prospective purchaser that: (1) the Declaration and associated material have been recorded in the Bureau, (2) the number of apartments in the project have increased from 50 units to 110 units with the addition of a second four-story building, (3) the number of unassigned parking stalls, also, have been increased from 75 to 150 stalls, and (4) a Time Share Declaration has been recorded against the property.

2. LAWAI BEACH RESORT is now a fee simple condominium project consisting of two buildings without basements, one hundred ten (110) apartments and 150 unassigned parking stalls.

3. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Supplementary Public Report.

4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have been recorded in the Bureau of Conveyances of the State of Hawaii.

The Declaration of Horizontal Property Regime dated December 17, 1981 with By-Laws attached was recorded as aforesaid in Liber 16049, Page 189.

The approved Floor Plans showing the layout, location, apartment numbers, etc. have been designated Condominium File Plan No. 835.

5. No advertising and promotional matter, other than the Condominium Pre-Sales Offering under Act 189, Session Laws of 1980, has been filed pursuant to the rules and regulations promulgated by the Commission.

6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

7. This Supplementary Public Report amends the Commission's Preliminary Public Report, dated October 2, 1981, and is made a part of the registration on LAWAI BEACH RESORT condominium project. The Developer has the responsibility of placing true copies of this Supplementary Public Report (pink paper stock), the Preliminary Public Report (yellow paper stock) and the revised Disclosure Abstract in the hands of all purchasers, and

securing a signed copy of the Receipt therefor from each such person.

8. This Supplementary Report automatically expires on November 2, 1982, unless another Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information in the topical headings DESCRIPTION, COMMON ELEMENTS, INTEREST TO BE CONVEYED TO PURCHASERS, PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE, ENCUMBRANCES AGAINST TITLE, and STATUS OF PROJECT has been altered as follows. All other topical headings have not been disturbed.

DESCRIPTION: The Declaration of Horizontal Property Regime and plans submitted by the Developer now indicate a fee simple condominium project consisting of one hundred ten (110) apartments contained in two (2) buildings, without basements, constructed principally of concrete and concrete block.

The location and description of the various apartments of the project are as set forth in the Exhibit "A" attached to this Supplementary Public Report.

The apartments have immediate access to an access corridor leading to two (2) stairways and an elevator, each of which leads to the grounds of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, doors and door frames, windows and window frames, the deck air space (if any), the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein.

NOTE: The Declaration provides that the Developer reserves certain rights to carry on sales activities, withdraw from the Declaration certain portions of the lands of the project, add additional apartments, buildings and common elements, grant easements to others to use certain portions of the common elements (including parking areas) and other reservations, all as set forth in Exhibit "B" attached hereto and made a part hereof.

COMMON ELEMENTS: Paragraph 4 under this topical heading of the Preliminary Public Report has been amended in its entirety to read as follows:

4. All parking areas, including the one hundred fifty (150) unassigned parking stalls;

INTEREST TO BE CONVEYED TO PURCHASERS: The undivided percentage interest appurtenant to each apartment has been revised as shown on Exhibit "A" attached hereto.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that, subject to applicable ordinances of the County of Kauai, the apartments shall be occupied and used only for residential or resort use or time-sharing ownership by the respective owners thereof, their tenants, families, domestic servants and social guests. The apartments may be sold, leased, rented or used for any time period or periods, including any annually recurring period on a fixed or floating basis. The owners of the respective apartments shall have the absolute right to lease such apartments from time to time on a daily, weekly, monthly or other basis, subject to all provisions of the Declaration and the By-Laws attached thereto.

NOTE: CORRESPONDENCE WITH THE COUNTY OF KAUAI, PLANNING DEPARTMENT, AND THE STATE OF HAWAII, DEPARTMENT OF REGULATORY AGENCIES, CONCERNING TIME SHARING USE OF THE APARTMENTS OF THE PROJECT IS ATTACHED TO THIS REPORT.

NOTE: BUYER SHOULD BE AWARE THAT ALTHOUGH THE DECLARATION PERMITS TIME-SHARING USE OF THE APARTMENTS, IT SHOULD BE NOTED THAT SUCH TIME-SHARING USAGE WOULD REQUIRE A SUBSEQUENT REGISTRATION WITH THE STATE OF HAWAII, DEPARTMENT OF REGULATORY AGENCIES, AS REQUIRED BY CHAPTER 514E, HAWAII REVISED STATUTES, AND THE RULES PERTAINING TO TIME-SHARING ADOPTED BY THE DEPARTMENT OF REGULATORY AGENCIES UNDER THIS CHAPTER.

No House Rules have been submitted as of the date of this report.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report dated January 11, 1982, issued by Title Guaranty of Hawaii, Incorporated, provides that the following are additional encumbrances against title to the property to those set forth in the Commission's Preliminary Public Report dated October 2, 1981:

1. Right-of-Entry in favor of Citizens Utilities Company and Hawaiian Telephone Company, dated July 20, 1981, recorded in Liber 15806, Page 367; granting a right-of-entry and easement over and across that certain property situate, lying and being at Koloa (Makai-Lawai Beach), County of Kauai, State of Hawaii, more particularly described as L. C. Aw. 3409; Lot 8, Tax Map Key 2-6-05: 4.

2. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Horizontal Property Regime dated December 17, 1981, recorded in the

Bureau of Conveyances of the State of Hawaii in Liber 16049, Page 189, and the By-Laws attached thereto, as the same are or may hereafter be amended in accordance with law, said Declaration or said By-Laws. (Project covered by Condominium Map No. 835.)

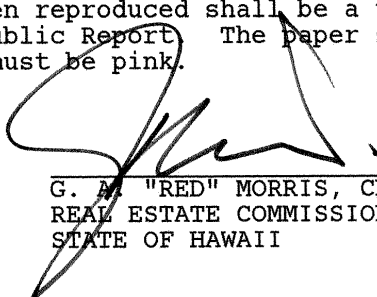
3. Lawai Beach Resort Time Sharing Program--
Time Share Declaration dated December 17, 1981, recorded in Liber 16049 at Page 418.

NOTE: The Developer advises it plans to grant utility easements over portions of the lands of the project.

STATUS OF PROJECT: The Developer advises that Building C of the project was substantially completed in August, 1981, and that construction of Building A of the project began May 1, 1981 and is estimated to be completed May 1, 1983.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted September 18, 1981, and information subsequently filed as of February 4, 1982.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1459 filed with the Commission on September 18, 1981. This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be pink.



G. M. "RED" MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF FINANCE
BUREAU OF CONVEYANCES
PLANNING COMMISSION,
COUNTY OF KAUAI
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 1459

February 23, 1982